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RUEHTRO/AMEMBASSY TRIPOLI  
RUEHNC/AMEMBASSY NOUAKCHOTT 6429  
RUEHNM/AMEMBASSY NIAMEY 1654  
RUEHBP/AMEMBASSY BAMAKO 0610  
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C O N F I D E N T I A L SECTION 01 OF 02 ALGIERS 000724

SIPDIS

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TAGS: [PREL](#) [KNNP](#) [MARR](#) [FR](#) [AG](#)

SUBJECT: FILLON VISIT HIGHLIGHTS DIFFERENT FRANCO-ALGERIAN  
PRIORITIES

REF: 07 ALGIERS 1004

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Classified By: Deputy Chief of Mission Thomas F. Daughton;  
reasons 1.4 (b) and (d).

11. (C) SUMMARY: During a June 20-22 visit to Algiers, French Prime Minister Francois Fillon signed bilateral cooperation agreements with the Algerian government in civilian nuclear energy development, military cooperation and financial cooperation to facilitate French investment in Algeria. Symbolizing the French focus on business promotion and investment, Fillon was accompanied by six ministers and at least 20 business executives. Along with a military cooperation agreement that was the first of its kind since Algerian independence, Fillon announced that France intends to sell combat helicopters and frigates to Algeria, also a first in the history of the often troubled bilateral relationship. It is unclear what quantities of military equipment Fillon had in mind. Our contacts tell us that France's top priority in sending an extremely high-level delegation of ministers to Algeria was to secure Algerian participation in President Nicolas Sarkozy's pet project, the Mediterranean Union. Specifically, Fillon pressed Bouteflika to commit to attending the planned July 13 Paris summit of EU and Mediterranean leaders. Algeria remained officially skeptical and coy on the issue even after Fillon's visit, using it as an effort to increase leverage with France over issues it considers more important: visas to allow more Algerians to travel to France. END SUMMARY.

FRENCH BUSINESS INTERESTS SPIN THE PLOT  
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12. (C) The agreement on civilian nuclear energy development, according to Bertrand Sirven, Counselor for Press at the French Embassy in Algiers, is the same agreement signed initially by Sarkozy during his November 2007 visit to Algiers. The agreement then had to be sent to Brussels for European Union approval, at which point it made its way back to Algiers for a second "official" signing. According to Salim Tamani of the French-language daily Liberte, the nuclear agreement marks the first of its kind in the Arab world. Tamani, along with several other of our media contacts, saw the Fillon visit as historic, as it had been 22 years since the last visit of a French prime minister to Algeria. Sirven told us the delegation was extremely well received, with Bouteflika bypassing usual accommodations and putting Fillon up personally at his presidential residence in

Zeralda, in the western suburbs of Algiers. Sirven also said the Embassy considered the trip a success, given the size of the boost given to the French side of the trade relationship.

Sarkozy's focus on commercial interests has been stressed by the Algerian media, and our contacts agree that he has been intent for some time on selling as much French technology and products to Algeria as possible.

13. (C) Sirven confirmed that the military agreement signed by Fillon during his visit was the first of its kind since Algerian independence in 1962, and represented a big psychological step in the love-hate relationship between the two countries. The agreement itself, Sirven told us, covers cooperation and training. In addition, Fillon also initialed a memorandum on financial cooperation, designed to lift multiple judicial and bureaucratic obstacles hindering the business activities of French entrepreneurs in Algeria.

#### PLAYING HARD TO GET ON MEDITERRANEAN UNION

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14. (C) Prime Minister Abdelaziz Belkhadem (who was replaced the day after his French counterpart left - septel) stated publicly in a joint press conference with Fillon that Algeria was "disappointed" that the Mediterranean Union proposal as it now stood -- a more multilateral concept blessed by Brussels -- differed from the original initiative launched by Sarkozy as a primarily French-driven effort (reftel). When asked by reporters following his meeting with Fillon whether he had agreed to attend the Mediterranean Summit in Paris on July 13, Bouteflika himself replied mysteriously "everything in its time," a comment featured on Algerian radio and television.

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15. (C) University of Algiers political science professor Dridi Mokhtar told us on June 23 that Algeria wants something in return for getting on board with the Mediterranean Union initiative, to "prove" that France views Algeria as a key country in the region. Mokhtar said that Algerian pride was initially wounded when it was passed over in favor of other countries such as Egypt for important positions within the new proposed organization. Sociology professor Youcef Boumezbar echoed this view, saying that Algeria still prefers to deal with France on a bilateral basis, and its top priority is "a solution to improve the visa situation and the movement of Algerian citizens between the two countries," with the business deals sought by Sarkozy of secondary importance. Boumezbar's view was borne out by front-page headlines in El Moudjahid and Le Jeune Independant on June 22, featuring Belkhadem's statements at press conferences during the visit that Algeria wants above all "a more fluid movement of its citizens" between France and Algeria.

#### COMMENT: COMPARING PRIORITIES

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16. (C) Fillon's visit made clear two French goals: securing Bouteflika's participation in the July 13 Mediterranean Summit, and boosting French trade and investment. On the latter the visit was a success, given the heavy commercial component of civilian nuclear and military sales secured by the agreements he signed and the memorandum aimed at streamlining French investment in Algeria. On the former Bouteflika -- at least in public -- was noncommittal on his participation in the Paris meeting, and on Algeria's participation in the Mediterranean Union project writ large. Algeria seems to be playing hard to get on the Mediterranean Union, perhaps still hoping to leverage a greater role in the organization and above all to secure French concessions on visas for Algerians to travel to France. The contrast between the two countries' priorities is striking: one country aggressively promoting trade and investment and its own vision of regional cooperation, while the other pushes primarily for more visas to allow its citizens the freedom to

leave.  
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